

VOLUME 3

# Emerging Renewable Resources Account

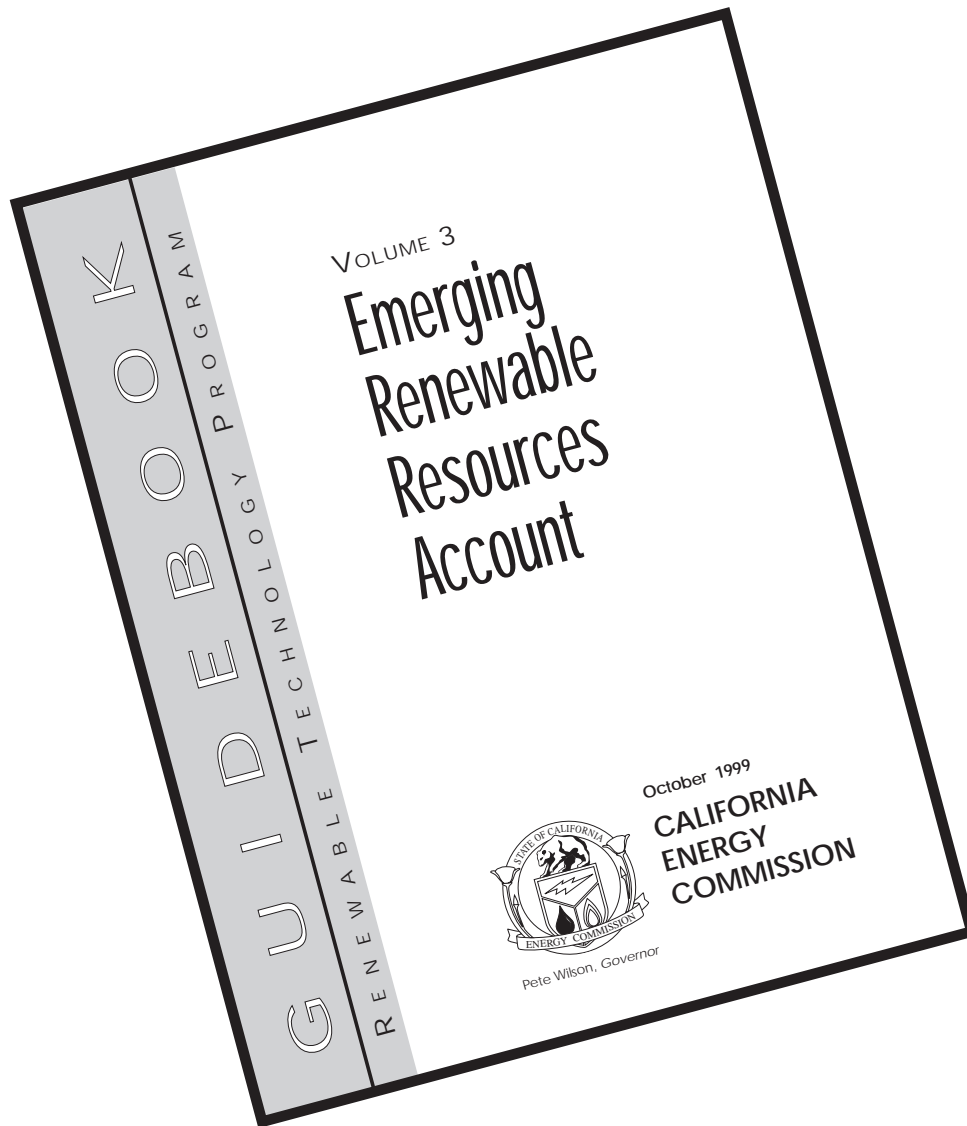


Gray Davis, Governor

October 1999

**CALIFORNIA  
ENERGY  
COMMISSION**

P500-97-011V3



---

## CALIFORNIA ENERGY COMMISSION

---

### **RENEWABLES COMMITTEE**

Michal C. Moore, *Presiding Member*  
Robert Pernell, *Second Member*

Marwan Masri, *Project Manager*  
Charles Mizutani, *Manager*

### **TECHNOLOGY EVALUATION OFFICE**

Nancy J. Deller, *Deputy Director*

### **ENERGY TECHNOLOGY DEVELOPMENT DIVISION**

These guidelines were formally adopted by the California Energy Commission on January 21, 1998, pursuant to Senate Bill 90 (Chp. 905, Stats. 97). Revisions, subsequently approved by either the Renewables Committee or by the Commission, have been incorporated herein.

This guidebook contains general instructions for purchasers, lessees, lessors, or sellers of emerging renewable technologies in distributed generation applications on how to qualify and receive funding from the Emerging Renewable Resources Account of the Renewable Resource Trust Fund. For more detailed information on the Renewable Resource Trust Fund, please see the Energy Commission's *Policy Report on AB 1890 Renewables Funding*. The report (Publication Number P500-97-002) may be obtained through the California Energy Commission's Publications Office at (916) 654-5200.

# Table of Contents

Introduction.....	1
What Types of Financial Assistance Will the Program Provide? .....	6
Who Can Receive the Buydown Payment? .....	6
When Will the Buydown Program Begin? .....	6
What Generating Systems Are Eligible For Buydowns? .....	6
What Costs of a Generating System Are Eligible for the Buydown? .....	10
How Big Can My System Be? .....	11
How Much Is The Buydown? .....	11
Do Financial Incentives from Other Sources Affect the Amount of Buydown I Can Receive? .....	11
What is the Maximum Buydown Amount Any Single Project Can Receive? .....	12
How Do I Reserve a Buydown?.....	12
How Do I Request A Buydown Payment? .....	21
Definitions.....	24
Forms and Samples .....	26

# Introduction

Assembly Bill 1890 (AB1890), enacted on September 23, 1996, provides \$540 million for the support of renewable electricity generation technologies. These funds will be collected from the ratepayers of the three largest investor-owned utilities in California from 1998 through March 31, 2001, to support existing, new, and emerging renewable electricity generation technologies. As part of the requirements of AB 1890, the California Energy Commission submitted a Policy Report<sup>1</sup> to the Legislature with recommendations for allocating the \$540 million.

Senate Bill 90 (SB 90), enacted on October 12, 1997, places the \$540 million into the **Renewable Resource Trust Fund**, and contains explicit directions for distributing this fund through four distinct accounts: the Existing Renewable Resources Account, the New Renewable Resources Account, the Emerging Renewable Resources Account, and the Customer-Side Renewable Resource Purchases Account. Table 1 shows the percentage funding allocations by year.

**Table 1**  
**Yearly Allocations to Renewable Technologies<sup>2</sup>**

Account	1998	1999	2000	2001	Overall	(in millions)
Existing Technologies	57%	49%	41%	33%	45%	\$243
New Technologies	24%	28%	32%	36%	30%	\$162
Emerging Technologies	10%	10%	10%	10%	10%	\$54
Customer-Side	9%	13%	17%	21%	15%	\$81

To assist participants in the Renewables Program in applying for funding from the various accounts within the program, the Energy Commission developed this ***Guidebook for the Renewable Technology Program***. The guidebook is divided into four volumes, each corresponding to an account in the **Renewables Resource Trust Fund**:

- Volume 1 - Existing Renewable Resources Account
- Volume 2 - New Renewable Resources Account
- Volume 3 - Emerging Renewable Resources Account
- Volume 4 - Customer Credit Subaccount of the Customer-Side Renewable Resource Purchases Account

---

<sup>1</sup> ***Policy Report on AB 1890 Renewables Funding***, published March 1997, publication number 500-97-002.

<sup>2</sup> These percentages apply to annual amounts of \$135 million dollars for four years as assumed in the ***Policy Report on AB 1890 Renewables Funding***. Due to the fact that \$135 million will not be collected in the early years, it may be necessary to borrow some funds from one account in order to make payments in another account equal to the absolute amounts expected annually in the Report. This will only be done if the account from which money is being borrowed is not adversely affected. All funds borrowed will be returned to their appropriate account.

This booklet, Volume 3 of the ***Guidebook for the Renewable Technology Program***, addresses the application and funding process for the Emerging Renewable Resources Account of the Renewable Resource Trust Fund. SB 90 directs that ten percent of the renewables funds provided under AB 1890 be used for the support of emerging technologies. This \$54 million is to be used to fund a multi-year, consumer-based program to foster the development of emerging renewable technologies in distributed generation applications.

SB 90 provides a number of specific requirements for an emerging technology program, including the following:

- 1) Funding for emerging technologies shall be provided through a competitive, market-based process that shall be in place for a period of not less than four years.
- 2) The program shall provide monetary rebates, buydowns, or equivalent incentives, to purchasers, lessees, lessors, or sellers of eligible electricity generating systems.
- 3) Incentives shall be issued on the basis of the rated electrical capacity of the system measured in watts.
- 4) The amount of the incentive shall decline over the term of the program.
- 5) There shall be a limit to the maximum percentage of an eligible system's cost that can be provided by the incentive.
- 6) Specified proportions of the incentive funds shall be available to smaller systems of specified sizes.

SB 90 determines that the emerging renewable technologies eligible to participate in this program are photovoltaic, solar thermal electric, fuel cell technologies that utilize renewable fuels, and wind turbines of not more than ten kilowatts rated electrical capacity per customer site. The legislation further states that these four technologies are only eligible to participate in the program if they meet the emerging technology eligibility criteria contained in the Commission's March 1997 ***Policy Report On AB 1890 Renewables Funding***.

Based on Energy Commission staff research (e.g., Energy Technology Status Report, Targeted RD&D studies), docketed information, and testimonials by various interested parties and stakeholders at public workshops and hearings held during the AB 1890/SB 90 process, the Commission finds that photovoltaic, small wind systems (not more than 10 kW), fuel cells using renewable fuel and solar-thermal technology all meet the qualifying criteria for eligibility contained in the Commission's Policy Report. These eligibility criteria were applied to individual systems representing each of the four technology categories. At least one or more systems in each of the four technology categories was found to satisfy the eligibility criteria. Therefore, technologies from all four categories are eligible to receive funds from the Emerging Renewables Resources Account.

To receive a buydown, however, individual systems in the four eligible technology categories must meet the stringent requirements contained in this guidebook for the Emerging Renewable Resources Account. These requirements are system level

specifications (for example, meeting of either standards or one-year performance, full warranties, permits and contractor installation), and must be met before a buydown can be approved. (Refer to section entitled "What Generating Systems Are Eligible For Buydowns," page 7.) The Commission recognizes that there may be individual systems employing each of the four technologies that may not be able to meet these requirements because of the system's stage in its research, development and demonstration, and therefore will not qualify for the buydown in spite of the eligibility of their underlying technology.

Those who wish to receive a buydown from the Emerging Renewable Resources Account must purchase an electrical generating system that employs an emerging renewable technology and meets certain eligibility requirements, and follow the reservation and claim procedures outlined in this guidebook. If after reading this guidebook, you require additional information about the emerging technology program please contact the Energy Commission Call Center at (800) 555-7794 or send e-mail to [callcntr@energy.state.ca.us](mailto:callcntr@energy.state.ca.us).

## ***Summary***

The Buydown Program is a multi-year program of payments to buyers, sellers, lessors or lessees of eligible electricity generating systems which are powered by emerging renewable resources. The payments from the Emerging Renewable Resources Account are intended to substantially reduce the current costs of generating equipment using emerging renewable technologies. The intent of the Buydown Program is to reduce the net cost to the end user of such generating systems and, thereby, stimulate substantial sales of such systems during a period of at least four years beginning in 1998. These increased sales of generating equipment are expected to encourage manufacturers, sellers and installers to expand their operations and reduce their costs.

To ensure that the costs of these systems decrease over time, the level of buydown payment will decline in five steps from \$3 per watt to \$1 per watt during the course of the program. Each level of buydown payment is tied to a "block" or specific portion of the program's \$54 million in funding. These five blocks of funds vary in size from \$10.5 to \$12 million. When the funds in one block have been completely committed, the next block of funds with a lower level of payment will become available. (See Table 2 on page 5)

The buydown payments may be made either directly to the retailer of a generating system, to its purchaser, or to the lessee or lessor in a leasing arrangement. It is expected that most customers for these systems will find it preferable to have the buydown paid directly to the retailer, and thereby deducted from the price the customer will pay. The program, however, will also accommodate customers who wish to apply for and receive the buydown payment directly. Customers for these systems can be any class of utility customer, including residential, commercial, agricultural or industrial customers. This program, however, is open only to customers of California's in-state electrical corporations whose customers contribute to this fund, and the generating

systems must be connected to the electrical grid of such utilities. (See “Who Can Receive the Buydown Payment?”, below)

This Buydown Program is also intended to foster the siting of small, reliable generating systems throughout California at locations where the electricity produced is needed and consumed. This is known as “distributed generation.” To be eligible for this program, the generating system must be on the premises of customers of California's electrical corporations and be of a size such that the electricity produced is expected to primarily offset part or all of the customer's electrical needs at these premises. To help maintain minimum standards of quality, the program also requires:

- 1) a minimum of a full five year warranty on the entire generating system;
- 2) installation by an appropriately licensed contractor and in compliance with appropriate electrical codes; and
- 3) certain key system components, or the entire generating system, be certified to meet certain established standards, where available.

Specific requirements for eligibility are detailed in the following sections of this guidebook.

The amount of buydown payment an eligible system will receive is dependent on:

- 1) the block of funds available to pay buydowns at the time your system is purchased and a buydown is reserved or installed;
- 2) the size or rated electrical output of your system; and
- 3) the total eligible costs of your system.

Table 2 gives the sizes of the blocks of funds and the corresponding levels of buydown payment per watt of system output, as well as the percentage of eligible system costs that the buydown payment cannot exceed. In Block 1, for example, the level of buydown available is \$3 per watt of output with a cap of 50 percent of eligible system costs. Therefore, until the Block 1 monies are committed by reservation, a generating system that had eligible costs of \$7.00 per watt would receive a buydown of \$3 per watt, while a \$4 per watt system would receive the maximum of 50 percent of eligible costs, or a buydown of \$2 per watt.

Since the level of buydown per watt of output and the maximum buydown as a percentage of system cost (“the percentage cap”), both decline over time as the blocks of funds are consumed, sellers and purchasers of generating systems may want certainty at the time their system is ordered of the amount of buydown payment they will receive when it is installed. To provide this certainty, customers or retailers can reserve a rebate amount using the Reservation Request Form (CEC-1890C-1). Submitting this form to the Energy Commission when signing a purchase order or letter of intent to purchase will allow customers or retailers to reserve a specified buydown payment for a period of 9 months for generating systems of 10 kilowatts or smaller and for 18 months for all systems larger than 10 kilowatts. When the system is installed and in service, the



Reservation Confirmation and Claim Form (CEC-1890C-2) should be submitted with documentation of a safe installation (a copy of the building permit). The Energy Commission will then issue a check for the buydown, typically within 30 days of receiving the CEC-1890C-2.

**Table 2**  
**Buydown Program Parameters**

<b>BUYDOWN PROGRAM FUNDS BLOCK</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>TOTALS</b>
Total buydown monies per block (millions)	\$10.5	\$10.5	\$10.5	\$10.5	\$12.0	\$54.0
Maximum buydown per watt of system output	\$3.00	\$2.50	\$2.00	\$1.50	\$1.00	
Maximum buydown as a percentage of eligible system cost	50%	40%	30%	25%	20%	
Minimum number of system kilowatts bought down by the program	3,500	4,200	5,250	7,000	12,000	32,000

The Buydown Program is open to generating systems of all sizes, subject to certain conditions and restrictions. The program, however, is intended to favor small generating systems, such as those typically used by residential or small commercial and agricultural customers. At least 60 percent of the total \$54 million in program monies (and 60 percent of the funds in each block of funds) must be awarded to systems of 10 kilowatts or smaller in rated output. An additional 15 percent of the program funds in each block are reserved for systems rated at 100 kilowatts or less. For otherwise eligible generating systems placed in service (i.e., installed and generating) after September 1, 1998, there will be a maximum payment of \$500,000 that any one project may receive from any block of funds, and a maximum payment of \$1,000,000 overall for any single project. Also, for all systems placed in service after September 1, 1998, any incentive received through grants, rebates, buydowns, cost-sharing, or in any similar forms from any source other than this program must be deducted from the eligible system costs before the buydown payment is determined.

The Energy Commission will conduct random audits of systems which have received buydown payments to ensure that the systems were properly installed, are properly functioning and are in accordance with the information provided in the reservation request and buydown claim forms. The Energy Commission will also periodically review the results of the Buydown Program to determine if modifications or changes to the level of buydown or other program terms and conditions are necessary to achieve the overall program goals.

## **What Types of Financial Assistance Will the Program Provide?**

The Buydown Program will make direct payments to the purchaser, seller, lessee or lessor of an eligible electricity generating system upon satisfactory evidence that the system meets the requirements of this program.

## **Who Can Receive the Buydown Payment?**

The payment can be reserved by and paid to the purchaser, retailer, lessee or lessor of an eligible generating system, as long as the owner of the system is not an electrical corporation or local publicly owned electric utility, and the purchaser or lessee receives electrical distribution from a utility which is contributing to the renewables fund. Such utilities are at present limited to Pacific Gas and Electric, Southern California Edison, San Diego Gas and Electric and Bear Valley Electric. It will most likely be the retailer, or seller, of the system that will request a reservation and receive payment of the buydown. State law, however, requires that regardless of who receives the payment, the amount of the payment shall "directly and exclusively reduc(e) the cost of the eligible system, or the cost of electricity produced by the eligible system". (Public Utilities Code Section 383.5(d)(2)(B)). For purposes of this guidebook and the accompanying forms, any reference to "purchaser" or "customer" shall apply equally to the lessee of an otherwise eligible generating system, and any reference to "retailer" or "seller" shall apply equally to the lessor of an otherwise eligible system.

## **When Will the Buydown Program Begin?**

Immediately after the California Energy Commission adopts this guidebook and its associated guidelines for the Emerging Renewable Resources Account, copies of this guidebook and the Buydown Program forms will be made available via mail, fax and the Internet. Completed forms to reserve or claim a buydown will be received by fax or mail beginning at 8:00 am PST on March 20, 1998. (See "How Do I Reserve a Buydown?" for contact phone numbers and addresses.)

## **What Generating Systems Are Eligible For Buydowns?**

Eligible generating systems must meet all of the following requirements:

- 1) They must use one of the designated emerging renewable technologies to produce electricity.
- 2) For certain technologies, specified components of the systems, or the entire systems, must meet national standards. The Energy Commission will maintain a list

of components and systems that meet the required standards of the program. This list may be obtained by calling (916) 653-6830 or through the Commission's website at: <[www.energy.ca.gov](http://www.energy.ca.gov)>

- 3) The system must be installed by a licensed contractor, unless installed by the purchaser, and be installed in conformance with the system manufacturer's specifications and with applicable electrical codes and standards
- 4) The system must come with a minimum of a full five year warranty against breakdown or unusual degradation for the purchaser.

### ***Approved Technologies***

For a generating system to be eligible to receive a payment under this program, the system must use an approved emerging renewable technology for its production of electricity. Subject to Energy Commission approval, there are four eligible technologies:

- 1) Photovoltaics - the direct conversion of sunlight to electricity
- 2) Solar Thermal Electric - the conversion of sunlight to heat and its concentration and use to power a generator to produce electricity
- 3) Fuel Cells - the conversion of sewer gas, land fill gas or other renewable sources of hydrogen or hydrogen rich gases into electricity by a direct chemical process
- 4) Small Wind Turbines - small electricity producing, wind-driven generating systems with a rated output of 10 kilowatts or less

### ***Certified Components or Systems***

#### **Photovoltaics**

All flat plate photovoltaic modules must be certified by a nationally recognized testing laboratory as meeting the requirements of the Underwriters Laboratory Standard 1703. All inverters must be certified by a nationally recognized testing laboratory for safe operation. Further, at such time that Underwriters Laboratory Standard 1741 is adopted, all inverters must also be certified as meeting the requirements of UL 1741 as well. For concentrator modules, manufacturers of concentrator photovoltaic systems must provide acceptable evidence to the Energy Commission for each model of system they wish to sell under this program that the module model is listed by UL, or other nationally or internationally recognized testing institution, using test procedures and requirements as appropriate for the intended use, or one year of reliable operation of that model of equipment. The option of one year of reliable operation for PV concentrator systems will not be available after December 31, 2000.

#### **Solar Thermal**

No standards exist at present for solar thermal electric generating systems. In lieu of certification manufacturers of solar thermal systems must provide acceptable evidence

to the Energy Commission of one year of reliable operation for each model of system they wish to sell under this program.

## **Fuel Cells**

All fuel cells must be certified as meeting the requirements of the American Gas Association, No. 8-90, "AGA Requirements for Fuel Cell Power Plants."

## **Small Wind**

There are two options to achieve eligibility under the Buy-down Program:

1. All small wind turbines must be certified as meeting the requirements of a small wind turbine-specific safety and/or performance standard adopted by a national or international standards setting body, including, but not limited to IEC (International Electrical Code) 61400-2.
2. Manufacturers of small wind systems must provide acceptable evidence to the Energy Commission for each model of system they wish to sell under this program of one year of reliable operation of that model of equipment at a site with average annual wind speeds of at least 12 mph.

## ***Contractors and Installation Codes and Standards***

All systems must be installed by appropriately licensed California contractors, unless they are installed by the purchaser, and must in all cases be installed in conformance with the manufacturer's specifications and with all applicable electrical and other codes and standards.

## **Photovoltaics**

Contractors must possess, or employ subcontractors who possess, a "A", a C-10 or a C-46 license.

## **Solar Thermal**

Contractors must possess, or employ subcontractors who possess, a "A", a C-10 or a C-46 license.

## **Fuel Cells**

Contractors must possess, or employ subcontractors who possess, an "A" or C-10 license.

## **Small Wind**

Contractors must possess, or employ subcontractors who possess, an "A" or C-10 license.

## ***Warranties***

All retailers of generating systems which receive a buydown payment under this program must provide a minimum of a full five-year warranty to the purchaser against breakdown or degradation of output. The warranty must cover all of the components of the generating system which are eligible for the buydown against breakdown or degradation in electrical output of more than ten percent from their originally rated electrical output. The warranty shall cover the full cost of repair or replacement of defective components or systems. Where the system is also professionally assembled and installed, the warranty shall also include the labor to remove and reinstall defective components or systems.

## **What Costs of a Generating System Are Eligible for the Buydown?**

Those portions of a generating system that convert the energy source to electricity and the related power conditioning and control systems are eligible to be covered by the Buydown Program. In addition, the costs of installation and any applicable licenses, permits, fees and sales taxes are also eligible costs. The costs of any equipment for the storage of the electricity produced are not eligible. For each technology, the following specific components and equipment are eligible.

### **Photovoltaics**

The photovoltaic cells, modules, mounting or tracking structures, wiring, inverters, foundation (for free-standing systems), and utility required interconnection equipment.

### **Solar Thermal**

The concentrating and collecting apparatus, tracking and mounting structures, wiring, thermal engines or devices for the conversion of heat to mechanical energy, generator, inverter, support structure and foundation (for free-standing systems), and utility required interconnection equipment.

### **Fuel Cells**

The renewable gas pre-treatment equipment (but not the gas collection or production equipment), fuel processor, cell stacks, inverter and power conditioning equipment, cooling equipment, foundation (for free-standing systems), and utility required interconnection equipment.

### **Small Wind**

The wind turbine, tower, wiring , inverter, foundation, and utility required interconnection equipment.

## **How Big Can My System Be?**

There is no minimum size or rated electrical output for systems to be eligible under this program. For small wind systems the combined electrical output of all wind turbines installed at one site cannot exceed 10 kilowatts. For all other eligible emerging technologies, there is also no specific limit on the maximum rated electrical output of a system. For all eligible systems regardless of technology, however, the system must be sized so that the amount of electricity produced by the system primarily offsets part or all of the customer's electrical needs at the site of installation. This means that the expected annual production of electricity by the system should not exceed the historical or current electrical needs of the electricity consumer at the site of installation by more than 25 percent. For example, if a purchaser's home or business where the system will be installed has used about 10,000 kilowatt hours (kWh) of electricity per year in the past, the generating system should be sized to produce no more 12,500 kWh per year (25 percent more than the historical need).

## **How Much Is The Buydown?**

The amount of buydown will depend on the electrical size of your system (its rated electrical output in watts) and the level of buydown incentive payment and the percentage cap available at the time your reservation is made (or, if no reservation is made, at the time your system is purchased or installed). The process to determine the buydown available to your system is as follows:

- 1) Determine the buydown level per watt and the percentage cap of system costs available for a system of your rated output. This information can be obtained by calling 1 (800) 900-3594.
- 2) Multiply your System Rated Output in watts by the applicable level of buydown payment per watt of output. (See "How Do I Reserve a Buydown?" to determine the System Rated Output for different types of generating systems.)
- 3) Multiply the Total Eligible System Costs by the maximum percentage of system costs applicable for your size of system. (See "What Costs of a Generating System Are Eligible for the Buydown?" to determine your eligible system costs.)
- 4) The lower of the amount resulting from #2 or #3 above will be your buydown.

## **Do Financial Incentives from Other Sources Affect the Amount of Buydown I Can Receive?**

Possibly. The exact answer will depend on the cost of your system, the time it is placed in service and the level of available buydown payment. For all systems placed in service on or after September 1, 1998, any financial incentives from any source (other than this program) that have been or will be received by any manufacturer, supplier, installer, or retailer in conjunction with the sale or lease of a generating system under this program, must be subtracted from the otherwise eligible costs of such systems before the buydown the system will receive under this program is determined. In other words, when you are calculating the total eligible system costs to request a buydown reservation or to claim a buydown payment, the total eligible system costs should be net of any incentives from any other source. (See "How Do I Reserve a Buydown?")

## What is the Maximum Buydown Amount Any Single Project Can Receive?

For all eligible generating systems placed in service on or after September 1, 1998, no single project can receive more than \$1,000,000 in total buydown payments nor more than \$500,000 from any one block of buydown funds. A "single project" is defined to be "all otherwise eligible generating systems installed during the term of this program at one physical site and serving the electrical needs of all real and personal property located at that site."

## How Do I Reserve a Buydown?

The amount of the buydown payment will change during the course of the program as the blocks of funds tied to each level of buydown payment are used. Consequently, most sellers and buyers of generating systems will want to be certain of the amount of buydown payment they will be receiving before ordering and installing the generating equipment. You must submit Form CEC-1890C-1, Reservation Request Form, to reserve a specified and certain buydown amount when an order is placed to purchase a system. There is a separate form for each of the four eligible emerging technologies: CEC-1890C-1-PV (photovoltaic), CEC-1890C-1-ST (solar thermal), CEC-1890C-1-FC (fuel cells) and CEC-1890C-1-SW (small wind). The forms are included with this guidebook. Blank forms can be obtained directly from the Energy Commission's Fax Line System via fax by calling (916) 653-6830, by mail by calling the CEC Call Center at 1-800-555-7794 or from the CEC Website at:

< <http://www.energy.ca.gov> >

Once a purchase order has been signed by a residential customer, or a purchase order or letter of intent has been signed for a non-residential system, the Reservation Request Form, along with a copy of the purchase order or letter of intent and a copy of a recent utility statement, if available, can be submitted to the California Energy Commission. **It is preferred and suggested that the form be delivered by FAX to (916) 653-1435.** If sent by mail, it should be addressed to: **Emerging Technologies**



**Buydown Program**, California Energy Commission, Accounting Office, 1516 - 9th Street, MS-2, Sacramento, CA 95814-5512.

To be accepted, the form must be accompanied by a copy of the purchase order or letter of intent showing the name of the customer and the location at which the system is to be installed. Also, if the installation location currently has electrical service, the attached copy of a utility statement (bill) should show that the installation site receives electrical distribution from an eligible service provider (utility). (See "Who Can Receive the Buydown Payment?") The Energy Commission will promptly review the form for completeness and the eligibility of the proposed system and will send back to the submitter Form CEC-1890C-2, Reservation Confirmation and Claim Form (either by telefax or by mail). No buydown money will be reserved until all information and documentation required for the Reservation Request Form is received by the Energy Commission.

## **How Long Does My Reservation Last?**

The Reservation Confirmation and Claim Form will give the dollar amount of buydown reserved for the specified system size and proposed installation site. The Reservation Confirmation will expire nine months after the date of issuance for small systems (10 kilowatts of rated output or smaller) and after eighteen months for all other system sizes (larger than 10 kilowatts). There will be **no** extensions of these time periods, except under extraordinary circumstances as noted below. Systems not installed by the expiration date of the reservation may reapply for a buydown. Such reapplications will receive the level of buydown payment available at the time of reapplication, which may be a lower rate of payment than the originally reserved buydown.

## **Can My Installed System Be Different Than My Reservation?**

The Commission expects that a system to be installed as described in the Reservation Confirmation, but recognizes that minor changes may result during installation and that substantive changes may be necessary in extraordinary circumstances. Minor changes, such as increases and decreases in the size of the system or changes in certified components of the system, do not require prior approval, but must be documented on the Reservation Confirmation and Buydown Claim form. The rebate amount is still subject to availability of funding, as discussed below. Substantive changes, such as change of purchaser, location or expiration date of reservation, require approval and can be considered under the following criteria and procedure:

1. Documentable circumstances beyond the control of the reservation holder which prevent the system from being installed as described under the reservation.
2. Neither the holder, retailer or installer knew or had reason to know of the above circumstances (criteria 1) at the time the reservation was issued.
3. The holder, retailer or installer has incurred documentable costs or expenses, either through the purchase of system equipment or by other construction costs expressly for the purpose of installing the reserved system, equaling no less than 25% of the reserved system's total cost, and said costs or expenses are unrecoverable unless the requested change is approved.

4. The reservation holder must show satisfactory proof that there are no other known obstacles in the way of completing the project.
5. The requested change would otherwise comport with all of the eligibility requirements of the Emerging Account.

A request to change the expiration date of the reservation must be limited to 3 months of additional time for small systems and 6 months of additional time for all other system sizes.

Any change request shall be made in writing, along with supporting documentation explaining how the request meets the criteria listed above, and must be submitted to the Emerging Account Manager at least 30 calendar days before the expiration of the reservation. If the circumstances are such that a complete request may not be submitted at least 30 calendar days before the expiration of the reservation, then the request shall be submitted as soon as possible prior to the expiration of the reservation and shall include an explanation of why a more timely request was not possible under the circumstances. The Emerging Account Manager will notify requesting parties of a decision on their request within 30 days of the receipt of a complete request. Approval of a request for a change in purchaser location or expiration date will not change or modify any other reservation condition.

If any change results in the actually installed system differ in its rated electrical output from the system originally specified in the Reservation Request Form, a new buydown payment amount will be recalculated. If the installed system is smaller in output and its eligible costs are lower than those originally specified in the Reservation Request Form, the new buydown amount will be determined using the same Buydown Program parameters of buydown per watt of system output and maximum buydown as a percentage of eligible system costs that were used to calculate the originally reserved buydown amount.

On the other hand, if the installed system is larger or more expensive than that originally specified for the reservation, we will provide the maximum allowable rebate available at the time the claim form is submitted. There are several factors that preclude or limit our ability to increase a rebate, including: 1) No additional funds are available in the original or subsequent block; 2) No additional funds are available within a size category within a block; and 3) We may be unable to increase the project size above 10kW or 100kW because of legislatively mandated minimum funding levels for projects up to 10kW (60% of block funds) and for projects up to 100kW (75% of block funds).

By way of example, an original reservation request was submitted for a 4,000 watt (4 kilowatt) system with eligible costs of \$24,000. The proposed system was given a confirmed reservation of buydown payment of \$12,000 using program parameters in effect at the time of reservation of \$3 per watt or a maximum of 50% of system costs. The purchaser, however, eventually installed, within the reservation period, a system of 6,000 watts of rated output and with eligible costs of \$30,000. The buydown program parameters available for eligible systems at the time this customer submitted a claim for a buydown payment had declined to \$2.50 per rated watt or a maximum of 40% of system costs. The buydown would be recalculated by first applying the \$12,000 already reserved and then determining the additional rebate.

The calculation is summarized as follows:

Installed system cost/watt		\$5.00 (\$30,000/6,000 watts)
Rebate level (\$/watt) from reservation		\$2.50 (Lesser of 50% of cost or \$3.00/watt)
Rebate level (\$/watt) for additional payment		\$2.00 (Lesser of 40% of cost or \$2.50/watt)
Reservation amount of \$12,000	buys down	4,800 watts (\$12,000/\$2.50)
Additional	2,400	buys down 1,200 watts (1,200 watts x \$2.00)
Total Buydown	\$14,400	6,000

### ***Temporary Suspension of New Reservations***

Since the \$54 million in funds to make buydown payments under this program will be collected and become available for use over the period 1998-2002, it may be necessary to temporarily suspend the issuance of new reservations if at any time during the term of the Buydown Program the amount of outstanding and unclaimed reservations exceeds the expected availability of program funds to honor these reservations in a timely manner.

**Detailed instructions for completing CEC-1890C-1, Reservation Request Form, and the STD-204, Vendor Data Record, follow:**

### ***CEC-1890C-1, Reservation Request Form***

**Section 1:** Provide the name, address and business phone number of the retailer (seller) or lessor of the system. Also include a telefax phone number if you wish to have the buydown Reservation Confirmation Form returned to you by telefax. If there is no telefax number provided, the Reservation Confirmation will be mailed to the retailer's address. If the purchaser (customer) is requesting the buydown be paid to the purchaser rather than to the retailer, the purchaser may enter the retailer's name, address, and phone numbers in Section 1. If the purchaser is buying system components from more than one retailer, Section 1 may be left blank.

**Payee I.D. Number:** Every retailer (or purchaser, if the purchaser will be receiving the buydown payment) must have a Payee I.D. Number assigned to them before a buydown payment can be made under this program. If the retailer will be receiving the buydown payment and has been previously assigned an I.D. Number by the program, enter it at the top of Section 1. If the purchaser is to receive the buydown payment, the purchaser's Payee I.D. Number should be entered at the top of Section 3. If this is the first Reservation Request Form you are submitting, please also submit a Vendor Data Record Form (STD. 204), a copy of which is included in the Forms section of this guidebook. The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State provide their Taxpayer

Identification Number (TIN) as required by the State Revenue and Taxation Code, Section 18646, and Internal Revenue Code, Section 6109. Form STD 204 must be on file with the Energy Commission before any payments can be made. If you have any questions about this form, please contact the Franchise Tax Board at 1-800-852-5711.

When you receive your first buydown Reservation Confirmation Form acknowledging the amount of a buydown reservation, your Payee I.D. number will be printed on the top of this form and this Payee I.D. Number should be used on all future Reservation Request Forms that you submit.

**Section 2.** Provide the installer's name, if different from the retailer, and the California license class and number of the installing contractor. See "What Generating Systems are Eligible for Buydowns?" to be sure that the installer has the appropriate class of contractor's license. If the purchaser intends to install the system, write "Owner Install" in the space provided for the contractor's license class and number.

**Section 3.** Provide the name and daytime phone number of the purchaser or lessee of the system. Provide the street address or other description of the physical location where the system is to be installed. Insert the name of the utility or electrical service provider who currently provides electrical distribution services to the site where the system is to be installed, and attach a copy of a monthly statement or bill showing electrical distribution service to the installation site, if service presently exists. Provide the prior 12 months consumption of electricity at the premises where the system is to be located. This information can be obtained by summing up the usage from the monthly utility bills or by contacting the utility serving the premises. Designate whether the buydown payment is to go to the retailer (or lessor) or purchaser (or lessee). If the purchaser will be receiving the payment, a Payee I.D. Number will be required. See the instructions for Section 1, above, for information on how to obtain a Payee I.D. Number and how to include Form STD 204 with this reservation request in order to be issued a Payee I.D. Number, if you do not presently have one. Your Payee I.D. Number should be entered at the top of Section 3.

#### **Section 4. Generating System**

##### ***For Photovoltaic Systems (Form CEC 1890C-1-PV)***

Enter the manufacturer's name, model number and number of photovoltaic modules that your system will contain. Only photovoltaic modules that have been certified by a nationally recognized testing laboratory are eligible for the Buydown Program. Enter the "PTC" (not STC) rating of the modules. PTC ratings can be obtained from the module manufacturer. The Energy Commission will maintain a list of certified modules and their PTC ratings which can be obtained via fax by calling (916) 653-6830, by mail by calling 1-800-555-7794 or through the Commission's Website at:  
<<http://www.energy.ca.gov>>

Enter the manufacturer, model and peak inverter efficiency of the inverter in your system. Inverters must likewise be certified by a nationally recognized testing

laboratory and a list of certified inverters can also be obtained from the Energy Commission.

Multiply the Total Module Output by the Peak Inverter Efficiency to determine the System Rated Output and enter the output in the box provided.

***For Fuel Cells Using Renewable Fuel (Form CEC 1890C-1-FC)***

Enter the manufacturer's name and model number. Eligible fuel cells must be certified to meet all of the requirements of the American Gas Association, No. 8-90. For the System Rated Output enter the manufacturer's continuous duty AC rated output in watts (not kilowatts). A list of eligible fuel cells and their power output can be obtained via fax by calling (916) 653-6830, by mail by calling 1-800-555-7794 or through the Commission's Website at: <<http://www.energy.ca.gov>>

***For Small Wind Turbines (Form CEC 1890C-1-SW)***

Enter the manufacturer's name and model number. Eligible wind turbine models must have demonstrated one year of reliable operation to be eligible for this program. For the Wind Turbine Power Output enter the highest electrical output from the manufacturer's power output curve for wind speeds up to 30 mph or less. A list of eligible wind turbines and their power output can be obtained via fax by calling (916) 653-6830, by mail by calling 1-800-555-7794 or through the Commission's Website at: <<http://www.energy.ca.gov>>

For wind turbines that use an inverter to produce AC power and for interconnection to the electric grid, enter the manufacturer, model and peak inverter efficiency of the inverter. Inverters must be certified by a nationally recognized testing laboratory and a list of certified inverters can also be obtained from the Energy Commission. Multiply the Wind Turbine Power Output by the Peak Inverter Efficiency to determine the System Rated Output and enter the output, as measured in watts, in the box. The System Rated Output cannot exceed 10,000 watts (10kW) and be eligible for a buydown. Additionally, total wind electricity generating capacity at a single customer site cannot exceed in total 10,000 watts of System Rated Output.

***For Solar Thermal Systems (Form CEC 1890C-1-ST)***

Enter the manufacturer's name and model number. Eligible models of solar thermal systems must have demonstrated one year of reliable operation to be eligible for this program. Enter the PTC rated AC power output of the system, as measured in watts, in the box for System Rated Output. A list of eligible solar thermal electric systems and their PTC ratings can be obtained via fax by calling (916) 653-6830, by mail by calling 1-800-555-7794 or through the Commission's website at: <<http://www.energy.ca.gov>>.

**Section 5.** Enter the total purchase price of all eligible components on the line next to Cost of System. Do not deduct any amount expected to be received from this Buydown Program. See "What Costs of a Generating System are Eligible for the Buydown?" in

this guidebook for a definition of what system components are eligible for the buydown and can be included in this total.

**Note:** For all systems placed in service (that is, installed and operational) after September 1, 1998, the amount of any rebates, buydowns, grants, cost-sharing or other incentives received by the equipment manufacturers, suppliers, retailers or installers from any source other than this program, and which reduce or offset any of the costs of these systems, **must be deducted from the Cost of System or otherwise incorporated in determining the Total Eligible System Costs that are charged to the purchaser of the system and the number entered for Total Eligible System Costs.** Enter the amount of any other incentives and their source.

Subtract any amount entered on "Less Other Incentives" from the Cost of System to determine the Total Eligible System Costs. If the amount entered as Total Eligible System Costs differs from the purchaser's price of the system as shown on the accompanying copy of the purchase order or letter of intent, a written explanation of the difference must accompany the submission of this form.

Buydown Requested: The Energy Commission will determine the amount of the buydown your system is eligible to receive and that will be reserved for you based on the data submitted on this form. This amount will be contained in the Reservation Confirmation and Claim Form that will be returned to you to confirm your reservation of a buydown payment. You may, however, wish to enter (in the box labeled "Buydown Requested") the amount of buydown you are anticipating based on the available buydown level, caps on buydown amounts and the costs and output of your system. To estimate the amount of this buydown before receipt of the confirmation, applicants can call 1-800-900-3594 to receive information on the currently available buydown amounts per watt of System Rated Output and the maximum percentage of Total Eligible System Costs for small, medium and large systems. The applicant can use this information to calculate two numbers: first, the buydown amount per watt multiplied by their System Rated Output and second, the maximum percentage times the Total Eligible System Costs. (See "How Much Is the Buydown?") The smaller of these two calculations should be your reserved buydown amount.

**Section 6.** Both the retailer and the purchaser should read the Declaration section and both must sign and date this section. In particular, the section of this guidebook titled "How Big Can My System Be?" should be consulted to ensure that the expected electrical generation of the system is appropriately matched to the customer's electrical needs. If the purchaser is requesting the reservation directly, only the purchaser portion of Section 6 needs to be filled out.

### ***STD-204, Vendor Data Record***

1. **Return Form To** - Already completed by the Energy Commission



2. **Vendor information** - Please enter your business name and address; if you are a sole proprietor, enter the owner's full name. If you are a purchaser requesting the buydown payment, enter your name and address.
3. **Vendor Entity Type** - Please check the box corresponding to the appropriate entity type.
4. **Vendor's Taxpayer ID Number** - Please enter your federal ID number. If you are an individual/sole proprietor, please enter your social security number.
5. **Vendor Residency Status** - Please check the appropriate box corresponding to your residency status.
6. **Registering Signature** - The registration must be signed by an authorized representative or officer such as the Chief Executive Officer or Chief Financial Officer if the vendor is a corporation, or by the business owner or purchaser, if you are a sole proprietor or individual.

### ***Submitting the Reservation Request Form***

The CEC-1890C-1, the STD-204, and a copy of the purchase order or letter of intent, should be telefaxed to the Energy Commission at (916) 653-1435 or mailed to:

**Emerging Renewables Buydown**, California Energy Commission, Accounting Office, 1516 9th Street, MS-2, Sacramento, CA 95814-5512.

For more information on how to apply for a buydown reservation, please call 1-800-555-7794 during normal business hours.

## **How Do I Request A Buydown Payment?**

Once an eligible generating system has been placed in service, a claim for payment of the appropriate buydown amount can be made. A generating system is "placed in service" when it is completely installed and is operational, that is, capable of producing electricity in the manner and in the amounts for which it was designed. To request payment of a buydown, use CEC-1890C-2, Reservation Confirmation and Claim Form. A copy of this form is included with this guidebook. If you requested a reservation of a buydown, however, you will already have this form since it was sent to you to confirm the amount of buydown reserved for your system. If you did not previously request a reservation of buydown, you may directly request a buydown by submitting Form CEC-1890C-2, as instructed below.

## ***CEC-1890C-2, Reservation Confirmation and Buydown Claim Form***

1. Both retailer and purchaser must read, sign and date the Buydown Claim portion of Form CEC 1890C-2. If the purchaser alone applied for and is to receive the buydown, only the purchaser need sign the Buydown Claim Form.
2. Any changes or modifications to the information provided on a previously submitted Reservation Request Form (CEC 1890C-1) must be noted in the space provided. If additional space is required to note such changes or modifications, additional pages can be attached to this form. If changes or modifications are noted, the applicant must also attach to this Claim Form a new Reservation Request Form containing the corrected information. Changes in the Total Eligible Systems Cost or the System Rated Output or other information may affect the amount of the buydown.
3. A copy of the final building permit required for the installation of the system must also accompany the submission of this form. The name and address on the building permit must match that shown under the Confirmation of Buydown Reservation section of this form, if a reservation was previously granted for this system.
4. A copy of the final sales invoice showing actual price paid by the purchaser for the installed system must accompany this form. If this price is different from that price shown on any purchase agreement or letter of intent previously submitted with a Reservation Request Form, please explain any difference. Actual price paid will be used for calculating the buydown amount.
5. A copy of a recent utility bill for electrical distribution service to the address of the installed system must also be submitted with this form to verify that the premises of the installation are receiving electrical distribution service from an eligible California electrical corporation, if a copy was not originally submitted with a Reservation Request Form.
6. If the buydown payment is being claimed for a system that had not previously been issued a reservation of buydown per Form CEC 1890C-1, the buydown Claim Form must also be accompanied by a completed and signed CEC-1890C-1, Reservation Request Form. (See “How Do I Reserve a Buydown?” for information on how to obtain and complete these forms.)
7. If the Reservation Confirmation and Claim Form submitted does not have a Payee I.D. Number printed on it in the upper right corner, the applicant must enter their previously issued Payee I.D. Number in this space. If applicant has not been issued a Payee I.D. Number, the applicant should submit an STD-204, Vendor Data Record, along with the claim form. (See “How Do I Reserve a Buydown?” for information on how to obtain and complete this form.)

## 8. Proof of Warranty

All reservation holders applying for payment must submit written proof of at least a five year warranty. For systems installed by a licensed contractor, the warranty must be a full warranty, as defined by federal statute, for the entire system. For systems not installed by a licensed contractor, i.e., owner-installers, the warranty must be at least a limited warranty, as defined by federal statute, for the major components of the system, including the prime mover ( i.e., where appropriate, PV panels, wind turbine, fuel cell system or solar thermal system) and, where applicable, the inverter.

The completed claim form must be submitted to the Energy Commission's Accounting Office by telefax or mail by 5 p.m. on the date specified in your buydown award reservation, together with copies of the building permit, final invoice, warranty and utility bill. Claim forms that are not complete, legible or received by the date specified in your buydown award reservation will be returned to you along with a written notice stating the reasons why your claim was rejected. All required forms and the copies of the building permit and utility bill shall be telefaxed to (916) 653-1435 or mailed to: **Emerging Renewables Buydown**, California Energy Commission, Accounting Office, 1516 9th Street, MS-2, Sacramento, CA 95814-5512.

The Energy Commission intends to make incentive payments within 30 days of receipt of a completed claim form. Payment will be made to the retailer or purchaser, as designated on the Reservation Request Form (Form CEC-1890C-1), and will be mailed to the address provided by the recipient on the Vendor Data Record (Form STD-204), which they previously submitted to the Energy Commission.

## Definitions

**California in-state electrical corporations** -- Pacific Gas and Electric Company, San Diego Gas and Electric Company, Southern California Edison, and any other electrical corporations contributing funds to the Emerging Renewable Resources Account of the Renewable Resources Trust Fund.

**commercially available** -- complete generating systems based on a designated emerging technology are available for immediate purchase under typical business terms and deliverable within a reasonable period of time.

**electrical corporation** -- see Section 218 of the Public Utilities Code

**full-scale** --- of a scale or size equal or comparable to the scale at which commercially available generating systems are being sold or are expected to be sold.

**full five year warranty** -- a written warranty given by the retailer of eligible equipment to the purchaser of such equipment, and which complies with the conditions and definitions of 15 U.S.C. Sections 2301 et seq., and which shall be transferable to any subsequent purchaser during the five year duration, and which must include and provide for the labor to remove and replace any defective components, except where the warrantor did not provide for the original installation of the equipment as part of the original purchase transaction.

**grid connected** -- The condition whereby the generating system serves and is electrically connected to electrical load(s) that are also connected to and served by the local utility electrical grid. The delivery, or ability to deliver, any portion of the generating system's output into the utility electrical grid is not required, nor must the loads served be only AC loads. The generating system needs only to be capable of serving electrical loads that would otherwise be served by the local utility grid.

**in-state renewable generation** -- biomass, solar thermal, photovoltaic, wind, geothermal, small hydropower of 30 megawatts or less, waste tire, digester gas, landfill gas, and municipal solid waste generation technologies, as described in the Policy Report on AB 1890 Renewables Funding, including any additions or enhancements thereto, that are produced in facilities located in this state and placed in operation after September 26, 1996, or that were operational prior to that date, and that are also certified under Section 292.207 of Title 18 of the Code of Federal Regulations as a qualifying small power production facility either located in California, or that began selling electricity to a California electrical corporation prior to September 26, 1996, under a Standard Offer Power Purchase Agreement authorized by the California Public Utilities Commission.

**investor-owned utility** -- a utility that is organized as a tax-paying business, whose properties are managed by representatives elected by shareholders.

**kilowatt (kW)** -- one thousand watts. A unit of measure for the amount of electricity needed to operate given equipment. A typical home using central air conditioning and other equipment might have a demand of 4-6 kW on a hot summer afternoon.

**kilowatt hour (kWh)** -- the most commonly-used unit of measure telling the amount of electricity consumed over time. It means one kilowatt of electricity supplied for one hour. A typical California household consumes about 500 kWh in an average month.

**landfill gas (LFG)** -- gas produced by the breakdown of organic matter in a landfill (composed primarily of methane and carbon dioxide).

**letter of intent** -- a document signed by a prospective purchaser and seller which describes the generating equipment to be purchased or leased, including the make, model and electrical output, and the terms of such purchase or lease, including the cost of the equipment and location of installation, and which is subject to only limited conditions.

**local publicly owned electric utility** -- as defined in Public Utilities Code section 9604, subdivision (d), and which includes a municipal utility district, a public utility district, an irrigation district, or a joint powers authority made up of one or more of these entities.

**municipal utility** -- a local publicly owned (customer-owned) electric utility that owns or operates electric facilities subject to the jurisdiction of a municipality, as opposed to the California Public Utilities Commission.

**new and unused** -- not having been previously placed in service.

**owned by electrical corporations or local publicly owned electric utilities** -- generating systems purchased, owned, and operated by electrical corporations or local publicly owned electric utilities and, if installed on a customer's premises, the power produced by such systems does not offset the power consumed by the customer or otherwise directly benefit the customer. Systems purchased by electrical corporations or local publicly owned electric utilities and which in turn are leased or sold to customers or, if installed on a customer's premises, offset the customer's electricity consumption and are operated to the benefit of the customer as if owned by the customer are not considered as owned by such electrical corporations or local publicly owned electric utilities for the purposes of this program.

**peak inverter efficiency** -- the highest measured efficiency over the operating range of the inverter and where the measured efficiency is the ratio of power output to power input expressed as a percent.

**photovoltaic (PV)** -- a technology using a semiconductor that converts light directly into electricity.

**placed in service** -- installed, operational and capable of producing electricity.

**primarily offset(s) part or all** -- annual electricity generation expected from the generating system shall not exceed 125 percent of the historical or current needs for electricity at the installation site.

**project** -- all otherwise eligible generating systems installed during the term of this program at one physical site and serving the electrical needs of all real and personal property located at this site, where a site is a single parcel of real property plus any improvements.

**PTC** -- PVUSA Test Conditions (PTC) are defined as follows: 1000 watts/square meter plane of array (POA) irradiance for flat-plate photovoltaic modules or 850 watts/sq.meter direct normal irradiance for concentrating photovoltaic or solar thermal systems with 20 degrees Centigrade ambient air temperature and 1 meter/second wind speed.

**purchase order** -- a document signed by a purchaser and seller (or lessee and lessor) and which describes the generating equipment to be purchased or leased, including the make and model, the location at which the equipment is to be installed, and the cost of the equipment to the purchaser or lessee.

**sewer gas** -- gas produced by the anaerobic decomposition of sewage

**solar thermal** -- the conversion of sunlight to heat and its concentration and use to power a generator to produce electricity.

## **Forms and Samples**

CEC 1890C-1- PV - Reservation Request Form (Photovoltaics)

CEC 1890 C-1- FC - Reservation Request Form (Fuel Cells)

CEC 1890 C-1- SW - Reservation Request Form (Small Wind)

CEC 1890 C-1- ST - Reservation Request Form (Solar Thermal)

CEC 1890C-2 - Reservation Confirmation and Claim Form

STD 204 - Vendor Data Record

## RESERVATION REQUEST FORM EMERGING RENEWABLES BUYDOWN PROGRAM



Completed forms can be faxed to (916) 653-1435  
or mailed to:

**Emerging Renewables Buydown  
California Energy Commission  
1516 9th Street, MS-2  
Sacramento, CA 95814-5512**

For detailed instructions on completing this form,  
please see Volume 3 of the Guidebook for the  
Renewable Technology Program

Please print or type

<b>1. Retailer</b> Name _____  Address _____  Business Phone _____ Fax _____  <b>2. Installer (If different from Retailer)</b> Name _____  Contractor License Class & Number _____	<b>4. Generating System</b> Photovoltaic Module Manufacturer: _____  Module Model Number: _____  Number of Modules _____ PTC Power Rating per Module _____ Watts Total Module Output _____ Watts (No. of modules x PTC Power Rating)  Inverter Manufacturer: _____  Inverter Model Number: _____  Peak Inverter Efficiency _____ %  <b>3. Purchaser</b> Name _____  Physical Address of System _____  Phone Number: _____  Utility Provider: _____  Most recent 12 months of electricity usage at the intended physical address of the system: _____ kWh  <b>5. System Cost</b> Cost of System (before California buydown) \$ _____  Less Other Incentives (Source: _____) \$ _____  Total Eligible System Costs \$ _____  <div style="border: 2px solid black; padding: 5px; display: inline-block;"> <b>Buydown Requested</b> \$ _____         </div>			
<b>Payee Designation:</b> Buydown payment should be sent to (circle one)    Retailer   /   Purchaser.				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">CEC Review</td> <td style="width: 33%;"></td> <td style="width: 33%;"></td> </tr> </table>		CEC Review		
CEC Review				

### 6. Declaration

The undersigned declare under penalty of perjury that 1) the information provided in this form is true and correct to the best of my knowledge, 2) that the above described generating system is intended primarily to offset part or all of the purchaser's electrical needs at the site of installation, 3) that the site of installation is located within service territory of PG&E, SCE, or SDG&E, and 4) that the purchaser has received a copy of this completed form.

**Retailer**

**Purchaser**

Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

**Attach a copy of the purchase order or letter of intent, and a copy of a monthly utility statement to this form.**

## RESERVATION REQUEST FORM EMERGING RENEWABLES BUYDOWN PROGRAM



Completed forms can be faxed to (916) 653-1435  
or mailed to: **Emerging Renewables Buydown**  
**California Energy Commission**  
1516 9th Street, MS-2  
Sacramento, CA 95814-5512

For detailed instructions on completing this form,  
please see Volume 3 of the Guidebook for the  
Renewable Technology Program

Please print or type

<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">1. Retailer</div> <div style="border: 1px solid black; padding: 5px;"> <p>Payee ID No. _____</p> <p>Name _____</p> <p>Address _____</p> <p>Business Phone _____ Fax _____</p> </div>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">4. Generating System</div> <div style="border: 1px solid black; padding: 5px;"> <p>Fuel Cell Manufacturer: _____</p> <p>Fuel Cell Model Number: _____</p> <p>System Rated Output (AC Continuous) _____ Watts</p> </div>			
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">2. Installer (If different from Retailer)</div> <div style="border: 1px solid black; padding: 5px;"> <p>Name _____</p> <p>Contractor License Class &amp; Number _____</p> </div>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">5. System Cost</div> <div style="border: 1px solid black; padding: 5px;"> <p>Cost of System (before California buydown) \$ _____</p> <p>Less Other Incentives \$ _____</p> <p>Source: _____ \$ _____</p> <p>Total Eligible System Costs \$ _____</p> </div>			
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">3. Purchaser</div> <div style="border: 1px solid black; padding: 5px;"> <p>Payee ID No. _____</p> <p>Name _____</p> <p>Physical Address of System _____</p> <p>Phone Number: _____</p> <p>Utility Provider: _____</p> <p>Most recent 12 months of electricity usage at the intended physical address of the system: _____ kWh</p> </div>	<div style="border: 2px solid black; padding: 10px; margin-top: 10px;"> <p><b>Buydown Requested</b>      \$ _____</p> </div>			
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Payee Designation:</div> <p>Buydown payment should be sent to (circle one)    <u>Retailer</u>    /    <u>Purchaser</u>.</p>	<table border="1" style="width: 100%; height: 100px; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center; vertical-align: top;">CEC Review</td> <td style="width: 33%;"></td> <td style="width: 33%;"></td> </tr> </table>	CEC Review		
CEC Review				

6. Declaration	
<p>The undersigned declare under penalty of perjury that 1) the information provided in this form is true and correct to the best of my knowledge, 2) that the above described generating system is intended primarily to offset part or all of the purchaser's electrical needs at the site of installation, 3) that the site of installation is located within service territory of PG&amp;E, SCE, or SDG&amp;E, and 4) that the purchaser has received a copy of this completed form.</p>	
Retailer	Purchaser
<p>Signature: _____</p> <p>Print Name: _____</p> <p>Date: _____</p>	<p>Signature: _____</p> <p>Print Name: _____</p> <p>Date: _____</p>
<p><b>Attach a copy of the purchase order or letter of intent, and a copy of a monthly utility statement to this form.</b></p>	



## RESERVATION REQUEST FORM EMERGING RENEWABLES BUYDOWN PROGRAM



Completed forms can be faxed to (916) 653-1435  
or mailed to:

**Emerging Renewables Buydown  
California Energy Commission  
1516 9th Street, MS-2  
Sacramento, CA 95814-5512**

For detailed instructions on completing this form,  
please see Volume 3 of the Guidebook for the  
Renewable Technology Program

Please print or type

<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">1. Retailer</div> <div style="border: 1px solid black; padding: 5px;"> <p>Payee ID No. _____</p> <p>Name _____</p> <p>Address _____</p> <p>Business Phone _____ Fax _____</p> </div>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">4. Generating System</div> <div style="border: 1px solid black; padding: 5px;"> <p>Wind Turbine Manufacturer: _____</p> <p>Turbine Model Number: _____</p> <p>Wind Turbine Power Output _____ Watts (Peak output up to 30 mph wind speed)</p> <p>Inverter Manufacturer: _____</p> <p>Inverter Model Number: _____</p> <p>Peak Inverter Efficiency _____ %</p> <p>System Rated Output (Wind Turbine Power Output x Peak Inverter Efficiency) <span style="border: 1px solid black; padding: 5px; display: inline-block; width: 150px; text-align: center;">_____ Watts</span></p> </div>
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">2. Installer (If different from Retailer)</div> <div style="border: 1px solid black; padding: 5px;"> <p>Name _____</p> <p>Contractor License Class &amp; Number _____</p> </div>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">5. System Cost</div> <div style="border: 1px solid black; padding: 5px;"> <p>Cost of System (before California buydown) \$ _____</p> <p>Less Other Incentives \$ _____</p> <p>Source: _____ \$ _____</p> <p>Total Eligible System Costs \$ _____</p> <div style="border: 2px solid black; padding: 5px; margin-top: 10px;"> <p><b>Buydown Requested</b> \$ _____</p> </div> </div>
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">3. Purchaser</div> <div style="border: 1px solid black; padding: 5px;"> <p>Payee ID No. _____</p> <p>Name _____</p> <p>Physical Address of System _____</p> <p>Phone Number: _____</p> <p>Utility Provider: _____</p> <p>Most recent 12 months of electricity usage at the intended physical address of the system: _____ kWh</p> </div>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">6. Declaration</div> <div style="border: 1px solid black; padding: 5px;"> <p>The undersigned declare under penalty of perjury that 1) the information provided in this form is true and correct to the best of my knowledge, 2) that the above described generating system is intended primarily to offset part or all of the purchaser's electrical needs at the site of installation, 3) that the site of installation is located within service territory of PG&amp;E, SCE, or SDG&amp;E, and 4) that the purchaser has received a copy of this completed form.</p> </div>
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Payee Designation: Buydown payment should be sent to (circle one) Retailer / Purchaser.</div>	
<div style="display: flex; justify-content: space-around; border-top: 1px solid black; border-bottom: 1px solid black;"> <div style="width: 30%; text-align: center;">CEC Review</div> <div style="width: 30%; text-align: center;"> </div> <div style="width: 30%; text-align: center;"> </div> </div>	

<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Retailer</div> <div style="border: 1px solid black; padding: 5px;"> <p>Signature: _____</p> <p>Print Name: _____</p> <p>Date: _____</p> </div>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Purchaser</div> <div style="border: 1px solid black; padding: 5px;"> <p>Signature: _____</p> <p>Print Name: _____</p> <p>Date: _____</p> </div>
<b>Attach a copy of the purchase order or letter of intent, and a copy of a monthly utility statement to this form.</b>	

# RESERVATION REQUEST FORM EMERGING RENEWABLES BUYDOWN PROGRAM



Completed forms can be faxed to (916) 653-1435  
or mailed to:

**Emerging Renewables Buydown  
California Energy Commission  
1516 9th Street, MS-2  
Sacramento, CA 95814-5512**

For detailed instructions on completing this form,  
please see Volume 3 of the Guidebook for the  
Renewable Technology Program

Please print or type

<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">1. Retailer</div> <div style="display: flex; justify-content: space-between;"> <div style="width: 80%;"> <p>Name _____</p> <p>Address _____</p> <p>Business Phone _____ Fax _____</p> </div> <div style="width: 15%;"> <p>Payee ID No. _____</p> </div> </div>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">4. Generating System</div> <p>Solar Thermal System Manufacturer: _____</p> <p>System Model Number: _____</p> <p>PTC Power Rating _____ Watts</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>System Rated Output (PTC Power Rating) _____ Watts</p> </div> <div style="width: 35%; border: 1px solid black; height: 40px;"></div> </div>			
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">2. Installer (If different from Retailer)</div> <p>Name _____</p> <p>Contractor License Class &amp; Number _____</p>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">5. System Cost</div> <p>Cost of System (before California buydown) \$ _____</p> <p>Less Other Incentives \$ _____</p> <p>Source: _____ \$ _____</p> <p>Total Eligible System Costs \$ _____</p> <div style="border: 2px solid black; padding: 5px; margin-top: 10px;"> <p><b>Buydown Requested</b> \$ _____</p> </div>			
<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">3. Purchaser</div> <div style="display: flex; justify-content: space-between;"> <div style="width: 80%;"> <p>Name _____</p> <p>Physical Address of System _____</p> <p>Phone Number: _____</p> <p>Utility Provider: _____</p> <p>Most recent 12 months of electricity usage at the intended physical address of the system: _____ kWh</p> </div> <div style="width: 15%;"> <p>Payee ID No. _____</p> </div> </div> <p><b>Payee Designation:</b> Buydown payment should be sent to (circle one) Retailer / Purchaser.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; padding: 5px;">CEC Review</td> <td style="width: 33%;"></td> <td style="width: 33%;"></td> </tr> </table>	CEC Review		
CEC Review				

6. Declaration

The undersigned declare under penalty of perjury that 1) the information provided in this form is true and correct to the best of my knowledge, 2) that the above described generating system is intended primarily to offset part or all of the purchaser's electrical needs at the site of installation, 3) that the site of installation is located within service territory of PG&E, SCE, or SDG&E, and 4) that the purchaser has received a copy of this completed form.

Retailer	Purchaser
Signature: _____	Signature: _____
Print Name: _____	Print Name: _____
Date: _____	Date: _____

Attach a copy of the purchase order or letter of intent, and a copy of a monthly utility statement to this form.



## RESERVATION CONFIRMATION AND CLAIM FORM EMERGING RENEWABLE BUYDOWN PROGRAM

Reservation Number \_\_\_\_\_

Payee ID Number \_\_\_\_\_

### CONFIRMATION OF BUYDOWN RESERVATION

This is to confirm that \_\_\_\_\_ has been granted a reservation of \$\_\_\_\_\_ for a \_\_\_\_\_ Watt generating system to be installed at \_\_\_\_\_. This reservation of incentive will expire on \_\_\_\_\_. The generating system must be placed in service and the claim form below, including all appropriate documentation, must be faxed or postmarked by this expiration date or this reservation will be voided. This reservation is non-transferable and the generating system must be installed on the premises and sold to the purchaser listed above and as submitted on the original Reservation Request Form.

### BUYDOWN CLAIM

The undersigned declare under penalty of perjury that the following statements are true and correct: (1) an electrical generating system meeting the terms and conditions of the California Energy Commission's Emerging Renewable Resources Buydown Program has been installed and is operating satisfactorily as of the date stated below; (2) the rated electrical output of the generating system and the physical location of the system are as stated above under Confirmation of Buydown Reservation; and (3) except as noted below, there were no changes in the information regarding the retailer, installer, purchaser, generating system specifications, installation location, or price from that information provided in the Reservation Request Form originally submitted by the undersigned. (List any changes, exceptions or modifications to the information provided in your Reservation Request Form. Attach a separate sheet if necessary)

---

---

---

---

---

---

---

---

Retailer

Purchaser

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Attach copies of 1) the building permit showing final inspection signoff, 2) the final purchase invoice and 3) a recent utility statement showing electrical service at the installation location.**

--	--	--



## **ARE YOU A RESIDENT OR A NONRESIDENT?**

Each corporation, individual/sole proprietor, partnership, estate or trust doing business with the State of California must indicate their residency status along with their vendor identification number.

A corporation will be considered a "resident" if it has a permanent place of business in California. The corporation has a permanent place of business in California if it is organized and existing under the laws of this state or, if a foreign corporation has qualified to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in this state only if it maintains a permanent office in this state that is permanently staffed by its employees.

For individuals/sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose which will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.

For withholding purposes, a partnership is considered a resident partnership if it has a permanent place of business in California. An estate is considered a California estate if the decedent was a California resident at the time of death and a trust is considered a California trust if at least one trustee is a California resident.

More information on residency status can be obtained by calling the Franchise Tax Board at the numbers listed below:

From within the United States, call ..... 1-800-852-5711  
From outside the United States, call ..... 1-916-854-6500  
For hearing impaired with TDD, call .... 1-800-822-6268

## **ARE YOU SUBJECT TO NONRESIDENT WITHHOLDING?**

Payments made to nonresident vendors, including corporations, individuals, partnerships, estates and trusts, are subject to withholding. Nonresident vendors performing services in California or receiving rent, lease or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for state income taxes. However, no withholding is required if total payments to the vendor are \$1500 or less for the calendar year.

A nonresident vendor may request that income taxes be withheld at a lower rate or waived by sending a completed form FTB 588 to the address listed below. A waiver will generally be granted when a vendor has a history of filing California returns and making timely estimated payments. If the vendor activity is carried on outside of California or partially outside of California, a waiver or reduced withholding rate may be granted. For more information, contact:

Franchise Tax Board  
Withhold at Source Unit  
Attention: State Agency Withholding Coordinator  
P.O. Box 651  
Sacramento, CA 95812-0651  
Telephone: (916) 845-4900  
FAX: (916) 845-4831

**If a reduced rate of withholding or waiver has been authorized by the Franchise Tax Board, attach a copy to this form.**

## **PRIVACY STATEMENT**

Section 7(b) of the Privacy Act of 1974 (Public Law 93-5791) requires that any federal, state, or local governmental agency which requests an individual to disclose his social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.

The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State must provide their Taxpayer Identification Number (TIN) as required by the State Revenue and Taxation Code, Section 18646 to facilitate tax compliance enforcement activities and to facilitate the preparation of Form 1099 and other information returns as required by the Internal Revenue Code, Section 6109. The TIN for individual and sole proprietorships is the Social Security Number (SSN).

It is mandatory to furnish the information requested. Federal law requires that payments for which the requested information is not provided be subject to a 31% withholding and state law imposes noncompliance penalties of up to \$20,000.

You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the state agency(ies) with which you transact business.

Please call the Department of Finance, Fiscal Systems and Consulting Unit at (916) 324-0385 if you have any questions regarding this Privacy Statement. Questions related to residency or withholding should be referred to the telephone numbers listed above. All other questions should be referred to the requesting agency listed in Section 1.